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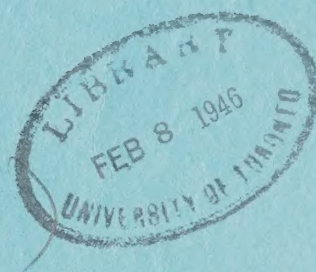
Canada

AGRICULTURAL SUPPLIES BOARD

*2nd
Report ...*

(Summary of Activities
for year ended
31 March 1941

1940/41



Dominion Department of Agriculture
Confederation Building
Ottawa

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AGRICULTURAL SUPPLIES BOARD

Summary of Activities for the Year Ended March 31, 1941.

(A year ago, the Board issued a summary of its activities from the time of its establishment, September 9, 1939, to the close of the fiscal year ended March 31, 1940. Another year's work is summarized in the following pages. Those who keep in their files records of the Board's activities may find such annual reviews convenient substitutes for the more detailed Progress Reports issued from time to time throughout the year.)

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AGRICULTURAL SUPPLIES BOARD

On pages 148 et seq. of the "Report of the Minister of Agriculture for the Dominion of Canada for the Year Ended March 31, 1940," an account was given of the organization and objectives of the Agricultural Supplies Board. During the year ended March 31, 1941, the only change in the Board's organization was the replacement of the National Apple Advisory Committee, which had been set up to assist the Department of Agriculture in the advertising and merchandizing of surplus apples of the 1939 crop, with a small Fruit and Vegetable Committee, representative of the Dominion Departments of Agriculture and Trade and Commerce. The new Committee has powers to deal with all kinds of fruits and vegetables instead of with apples alone, while provision is made for the appointment of advisory committees of producers and trade for any individual product or group of products presenting problems that call for attention by this Fruit and Vegetable Committee.

The Bacon Board had already been functioning before the end of the previous fiscal year and had reported briefly in the Minister's Report for that year, while a Dairy Products Board was established early in the fiscal year which ended March 31, 1941. Separate reports of these two Boards will be found elsewhere in the present Minister's Report.

Following a number of meetings between the Agricultural Supplies Board and representatives of the egg and poultry industry interested in the export of surplus Canadian eggs to the United Kingdom, it was suggested that a special egg and poultry committee should be established to purchase and forward from Canada such eggs as might be required to fill orders received from time to time from the British Ministry of Food. In view of the fact that there were no definite long-term contracts between the Dominion Government and the above Ministry covering eggs and poultry, it was decided to set up, instead of a special egg and poultry committee, a Special Products Board which could deal not only with egg and poultry export orders but also with orders for any other agricultural product arrangements for handling which had not already been provided for under the Agricultural Supplies Board, the Bacon Board, or the Dairy Products Board. As this Special Products Board was not established until after the close of the fiscal year under review, its first report will be made a year hence.

Since a primary function of the Agricultural Supplies Board is to initiate suggestions for production programmes in the light of information it may receive concerning wartime needs, the Board not only keeps touch with the Canadian situation but likewise maintains constant contact with the United Kingdom authorities, through usual government channels. This was of especial importance during the early part of the fiscal year under review, when the occupation of Denmark, and the invasion first of Norway and later of the Netherlands, Belgium, and France brought need of accurate knowledge of just what these developments might mean to the Canadian farmer, particularly in the light of speculations advanced by the press.

As in the autumn of 1939, the Chairman of the Agricultural Supplies Board again in the autumn of 1940 was one of a party of Canadian Government officials that visited Britain to work out with officials of the British Ministries of Food and Supply contracts covering supplies of Canadian farm products that would be required by the United Kingdom during the ensuing production season.

CO-OPERATION WITH THE PROVINCES

Conferences and Meetings. - A general conference between representatives of the Provincial Departments of Agriculture and the Board was held at Ottawa on July 18, 19, and 20, 1940, to review the position respecting agricultural supplies in relation to war requirements. Special committees on bacon, dairy products, fruits and vegetables, eggs and poultry, fibre flax, seed potatoes, live stock feeds, feeding oils, wool, field root and vegetable seeds, fertilizers, and pesticides studied reports made on these various products and later collaborated in the preparation of a general statement to the farmers of Canada respecting the situation.

Following the return of the Canadian party of officials from the United Kingdom in November and the signing of agreements between the Dominion Government and the British authorities respecting bacon, cheese, and other farm products, conferences were held between the Board and Provincial Departments of Agriculture representatives to discuss these agreements and to plan production programmes in the light of them. At a conference held at Ottawa on December 12 and 13, 1940, representatives of the Provinces of Nova Scotia, Prince Edward Island, New Brunswick, Quebec, Ontario, and British Columbia attended, whilst, in view of the special nature of certain problems local to the Prairie Provinces, a separate conference was held between the Board and representatives of the Provinces of Manitoba, Saskatchewan, and Alberta at Saskatoon on December 16 and 17, 1940.

On January 10 and 11, 1941, the Board sponsored a meeting at London, Ontario, between officials of the Dominion Department of Agriculture, officials of the Ontario Department of Agriculture, and representatives of farmers' organizations, for a general discussion of problems faced by farmers in Western Ontario; whilst the Board convened a meeting at Ottawa, on March 13 and 14, 1941, between Dominion Department of Agriculture officials and representatives of the Departments of Agriculture of the three Prairie Provinces to discuss Western crop production programmes for 1941 in the light of the new Wheat Policy which had just been announced by the Dominion Government.

Live Stock Feeds for the East. - Following representations made by officials of the Maritime Provinces at the conference held at Ottawa in July, 1940, with respect to provisions for moving East, before the close of inland navigation, supplies of Western grains that might be needed for feed, arrangements were made in August for the allocation of space in the Prescott, Montreal, and Quebec elevators for up to 4,000,000 bushels of feed grains, while the quota was removed on the amount of barley that could be moved from Western farms to elevators. Advantage, however, was not taken of these provisions.

At the conference held at Ottawa in December, 1940, representations were made by the five Eastern Provinces to the effect that up to ten million bushels of grain for live stock feeding were urgently needed in the East, and Dominion Government assistance was requested in the purchase and transportation of this grain to the various provinces in quantities set forth in a

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schedule drawn up by provincial representatives. Under authority given in an Order in Council passed on January 22, 1941, the Deputy Ministers of the five Eastern Provinces were notified, on January 24th, that the Dominion Government would share with the provinces concerned in the payment of regular freight charges from Port Arthur or Port William to destination in those provinces on grains moved East before July 15, 1941, and to be used exclusively for live stock feed, to the following amounts: P. E. I. 80,000 bu.; N. S. 760,000 bu.; N. B. 760,000 bu.; Que. 3,200,000 bu.; Ont. 3,200,000 bu. Ontario alone, however, took advantage of the offer.

Dominion-Provincial Seed Programmes. - At the conference held at Ottawa in July, 1940, it was agreed that programmes should be undertaken jointly by the Dominion Government and certain Provincial Governments for the production of those field root and vegetable garden seeds which might be in short supply for the spring of 1942. Contracts were entered into in time to have stocklings saved from the 1940 crop of those kinds of roots and vegetables that are biennial in their seeding habits, those to be planted in 1941 so that seed might be gathered for use in the spring of 1942. Further details of this plan appear elsewhere in this report.

Information on Activities. - As in the previous year, the Board issued Progress Reports on its activities from time to time, providing each Provincial Department of Agriculture with copies for distribution to their principal officers and field services. Copies of special statements by the Board, of Heads of Agreements re. bacon, pork offals, and dairy products, of Orders in Council, and of other documents relating to the work of the Board were likewise supplied to Provincial Departments of Agriculture.

Wartime Pamphlets. - During the year under review, the Board issued 11 special pamphlets in its Wartime Production Series, thus bringing to 56 the number available in this series. Posters on Bacterial Ring-Rot of Potatoes and on the Control of Mites in Stored Grains were likewise distributed. These were published in quantities large enough to meet the needs of Provincial Departments of Agriculture and Agricultural Colleges as well as of Dominion agencies of distribution. Printings of these pamphlets ran to 1,908,000 copies (1,462,000 English and 446,000 French), and distribution to March 31, 1941, was just over 900,000.

SAFE-GUARDING SUPPLIES NEEDED IN PRODUCTION

Through Seed Supply Committee

Close watch was kept on the situation respecting supplies of seeds of grasses and legumes, peas, beans, sugar beets, field roots and garden vegetables.

Root and Vegetable Seeds. - As already indicated, special measures were taken to ensure supplies of certain field root and garden vegetable seeds of kinds ordinarily supplied wholly or in part by European countries now over-run by the enemy. To co-operate with the Board in this matter, Provincial Seed Production Committees were formed in the Provinces of Prince Edward Island, Nova Scotia, New Brunswick, Quebec, Ontario, Manitoba, and British Columbia. These Committees arranged with growers for the production, under contract, of seed of those varieties recommended for registration, and the Dominion and Provincial Governments agreed to accept all seed grown on the acreages under contract of a quality equal to registered or certified seed grades. Acreages of seed crops included under this plan, and estimated yields of seed, are as follows:

<u>Kinds</u>	<u>Acres</u>	<u>Estimated Yield</u>
Beets	30	27,000 lbs.
Cabbage	13½	10,800 "
Cauliflower	2	300 "
Parsnip	15	8,000 "
Radish	117	35,100 "
Spinach	61¼	24,500 "
Swede	133	69,500 "
Mangel	100	100,000 "

Fibre Flax Seed. - In view of requests from the United Kingdom authorities that flax fibre and tow production in Canada be increased to help meet the war needs of Britain and that all fibre flax seed surplus to Canadian requirements be made available to Northern Ireland, where it was urgently needed, acreage devoted to fibre flax in Canada was increased from 8,000 acres in 1939 to 21,000 acres in 1940.

Of this area in fibre flax production, 11,500 acres were in Quebec, 5,700 acres in Eastern Ontario, 2,400 acres in Western Ontario, and the remainder in Western Canada.

Exceptionally unfavourable harvest conditions in Western Ontario and delays and other difficulties in securing de-seeding and processing machinery in many areas, particularly in those newly organized, resulted in a much smaller recovery of seed in time for planting in 1941 than had been anticipated. In response to urgent requests from the British authorities, 20,766 bushels of seed were forwarded to the Government of Northern Ireland, 18,410 bushels of which came from the largest Canadian centre, namely de Beaujeu, Quebec, and 2,356 bushels from Eastern Ontario.

What the acreage might be in 1941 for Canada was not clear at the close of the fiscal year under review; since recovery of seed was still in progress. In a general way, Quebec was expected to have sufficient seed left, after the above export to Northern Ireland, to meet the requirements of 1940 growers and possibly to allow of a few new production centres. Some export as mentioned, together with the destruction by fire at one of the plants of 2,600 bushels of graded seed, left Eastern Ontario with only enough seed for local use. Western Ontario, because of the unfavourable harvest conditions, was not expected to have enough seed available before seeding time for any considerable increase in acreage in 1941. In Manitoba, Dutch White varieties failed to pass inspection, but from the J.W.S. variety acreage some 3,000 bushels of seed were expected, and arrangements were made for any surplus seed from this supply to be shipped East. From an experimental planting of 125 bushels of seed in 1940 at Petersfield, Manitoba, 500 bushels were harvested, all of which was to be retained in Manitoba; while from a planting of 125 bushels experimentally at Lethbridge, Alberta, 1,175 bushels were obtained, 125 bushels of which was to be retained at Lethbridge, some to be tried out in British Columbia, and some to be shipped East.

Whilst, as indicated, it was difficult at the time of writing this report to estimate the probable Canadian acreage of fibre flax for 1941, it appeared probable that this would not exceed 24,000 acres. Strong demand for seed was reported from sections desirous of getting established in fibre flax production,

and distribution was being made as follows: growers who had produced in 1940 were being allowed to retain seed for their 1941 acreage; all other satisfactory applicants in suitable areas were being provided with seed in the order in which their applications were received.

Through Fertilizer Supply Committee

This Committee made periodic surveys of supply of the different kinds of fertilizers needed in Canada and encouraged an increased production of those kinds in strong export demand. No shortages developed during the year under review. Even potash, concerning supplies of which there had been doubt, was obtainable in sufficient quantity despite the fact that European supply was entirely cut off following the capitulation of France. Fortunately for Canada, production in the United States increased sufficiently to meet the needs of the entire North American Continent. Representations made by the Fertilizer Supply Committee to American producers led to Canada's being included with the United States as having first claim on supply before potash may be exported to other countries.

Restriction of Exports. - Under authority provided in Order in Council P.C. 3124, of October 12th, 1939, restriction of exports of fertilizers from Canada, where necessary, was continued during the year under review for the purpose of ensuring ample Canadian supply. This, it may be added, was accomplished without interfering unduly with exports, particularly with those to the United States, whose exchange is highly valued. Consideration was also given to the needs of other parts of the Empire which in pre-war years depended largely or entirely on Europe for fertilizers.

Provincial Fertilizer Boards. - The Committee made much progress in administering that part of the above-named Order in Council which provides for the conservation and better use of fertilizer ingredients. In collaboration with Provincial Fertilizer Boards, the Committee was able to have many unnecessary or undesirable analyses of mixed fertilizers eliminated from the trade.

Through Pesticide Supply Committee

During the year ended March 31, 1941, the Pesticide Supply Committee conducted surveys periodically to determine any shortages of the insecticides, fungicides, disinfectants, herbicides, and other items used as pesticides.

Of the 160 chemicals commonly used for various pesticide purposes, shortages only in some mercurial products and in metaldehyde developed during the year, but arrangements were made whereby 1941 Canadian requirements of these items will be met from American sources. Supplies of insecticides and fungicides from British sources became almost unobtainable during the year. Fortunately, however, Canadian and American production appear to have increased satisfactorily to meet essential requirements of the future.

Sodium chlorate, which is used in Canada to the extent of about 3,000,000 pounds annually for weed killing purposes, is still in sufficient supply for domestic requirements despite the partial diversion of Canadian production to the manufacture of potassium chlorate and other chemicals for munitions purposes. Pending Canadian requirements being met first, the Committee found it necessary to advise against further export of this material.

Through Direct Action

Throughout the early part of the fiscal year particularly, the Board collaborated with other Dominion Government bodies in the study of various methods of stimulating the increased production in Canada of cod liver and other fish oils desired by poultry and live stock feeders for their vitamin content. Following representations from Nova Scotia to the effect that cod liver oil production in the East might be increased from the usual 60,000 gallons to as much as 300,000 gallons if there were some means of providing for the sale of this oil on a basis of vitamin assay, the Board assisted in having an assay laboratory established at Ottawa. First vitamin assays in the new laboratory were begun in August, 1940, and co-operative arrangements for assaying commercial oils were made with provincial laboratories.

The Board continued its licensing system with respect to exports of flax fibre and tow to ensure that all fibres and tows of qualities required in the United Kingdom for war purposes should go forward to that market. On the other hand, the Board helped work out procedure to be followed by Canadian manufacturers in need of linen threads and yarns in bringing their requirements to the attention of the proper British authorities.

In view, on the one hand, of the desire to place the fibre flax industry of Canada on a mechanized basis and, on the other hand, of dissatisfaction with some of the equipments installed in flax mills during the year under review, the Board began a study of the whole flax machinery situation with a view to encouraging the production in Canada of a complete line of efficient machines for the handling of this product.

ASSISTANCE IN APPLE MARKETING

The conditions that called for Dominion Government aid in the disposal of surplus apples of the 1939 crop were repeated in connection with the 1940 crop. Despite a slight increase in the B.C. crop in 1940 as compared with 1939, greatly reduced crops in Nova Scotia and other Eastern production centres resulted in a smaller total pack for disposal; on the other hand, while it had been possible to export to the United Kingdom substantial quantities of fresh apples of the 1939 crop, no apples of the 1940 crop could be sold fresh to the British market. In view of this, representatives of growers' associations and the trade met with the Board and Departmental officials from time to time, and plans were worked out for assistance by the Dominion Government in marketing apples grown in Nova Scotia, British Columbia, and, to a lesser extent, Ontario.

In addition to assistance being provided for the growers in these provinces, the Government carried on an extensive advertising and dealer service campaign to assist in the marketing of apples. Experiments were made in connection with new apple products. Production of apple juice again increased, consumption

being stimulated, perhaps, by the more uniform quality following the establishment of grades. A fine quality of canned apple sauce was produced during the year under review, mostly in Nova Scotia, and plans were worked out for placing this on the market. An experiment was planned for packing evaporated apple chips in a consumer package. This product would be used mostly for making pies.

The Government contributed 25,000 cases of canned apples, and 25,000 cases of evaporated apples from the 1939 pack to the Red Cross Society for use in military hospitals and for the feeding of refugees in the United Kingdom and France; also 400,000 cases of canned and 75,000 cases of evaporated apples were contributed to the United Kingdom Ministry of Food for war evacuee, military, naval, and other non-commercial purposes. It was found impossible to market all the apples processed in Nova Scotia from the 1939 crop, and on March 31st, 1941, approximately 5,000 cases of evaporated apples and approximately 75,000 cases of canned apples were still on hand.

The agreements for the marketing of the 1940 crop were briefly as follows,-

Agreements

British Columbia:- The Government agreed to pay for not more than 1,750,000 boxes (or their equivalent) at the price set out in the schedule when delivered or sold for the Government account.

Ontario:- The Government agreed to purchase not more than 50,000 barrels of apples remaining undisposed of on March 31st, 1941, at prices named in schedule for variety, size and grade. It also contracted to pay canners 40¢ per cwt. for apples of $2\frac{1}{4}$ inches minimum diameter purchased by canners for canning purposes, who had paid not less than 80¢ per cwt. to their growers.

Nova Scotia:- The Government agreed to pay,-

(a) The prices set out in schedule for all apples shipped to storage or otherwise at the Minister's directions.

(b) The prices set out in schedule for all apples delivered to processing plants at the Minister's direction,- the quantity not to exceed 1,147,000 barrels.

(c) To pay for quantities of processed apples shipped on sales and to storage or otherwise at the Minister's direction.

(d) To pay storage of 1/8¢ per week per case of processed product remaining on hand beyond 30 days after completion of processing and packing for shipment.

The expenditures to March 31, 1941, were approximately as follows:

Expenditures

British Columbia:- Expenditures under 1940-1941 agreement, \$616,693.41; further expenditures may bring total to possibly \$1,200,000.

Ontario:- Expenditure under 1940-1941 agreement, \$4,097.82; further expenditures will have to be made.

Nova Scotia:- Total net disbursement to March 31st, 1941, \$2,244,708.56; further expenditures and recoveries are expected to leave the net at slightly below this figure.

The following apple products were manufactured under the agreement from apples grown in 1940:

687,163	cases	canned	apples
129,247	"	"	apple sauce
48,807	"		evaporated apples

As at March 31st, 1941, stocks on hand of processed products amount to:

631,135	cases	canned	apples
129,147	"	"	apple sauce
21,399	"		evaporated apples

The British Ministry of Food agreed to purchase from the Department of Agriculture 900 tons of evaporated apples from the 1939 crop and 600 tons from the 1940 crop, as well as 350,000 cases of unsweetened canned apples and 80,000 cases of sweetened canned apples from the 1940 crop. Arrangements were also made to ship a considerable quantity of apple pomace to the United Kingdom. This pomace was packed and owned by processors in Nova Scotia.

The British Ministry of Food also made arrangements for the purchase of the stock of SO₂ strawberries on hand in British Columbia which remained unsold from the 1940 pack.

Military camps and certain Departments of the Government used certain quantities of processed apples during the year under review. It is anticipated that such use will be increased when fresh apples are off the market.

Shipping and credit arrangements on products exported were handled through the office of the Secretary of the Fruit and Vegetable Committee working in conjunction with the Commercial Intelligence Service, Department of Trade and Commerce, while transactions with military camps were handled by Fruit and Vegetable Division officials.

KEEPING THE PUBLIC INFORMED

With a view to getting out to the farmers of Canada all available information that might be of use in planning programmes during the difficult years of war, the Board issued, in addition to its regular Progress Reports, a number of new releases and special articles. On April 16, 1940, for example, the Board sent to all farm papers copy of a special article entitled "The Canadian Farmer and the War," showing why it had not been considered wise to call for increased production of agricultural commodities to that time. On April 18, 1940, a release to daily newspapers warned readers against accepting too literally speculations then appearing in the press regarding what the enemy occupation of Denmark and invasion might mean immediately to the Canadian farmer. April, 1940, too, saw farm papers and rural weeklies of Eastern Canada provided with articles suggesting that farmers plan their field crop programmes in such a way as to make their farms less dependent on purchased feeds. Radio talks over Eastern stations supported these articles.

Other special releases to all farm papers were as follows: On July 29, 1940, a general statement, commodity by commodity, of what effect the war might have on the demand for farm products - prepared by Dominion-Provincial Committees during the July Conference at Ottawa; on November 19, 1940, summary of the discussions between Canadian and British officials concerning Canadian agricultural supplies that would be needed by Britain in 1941, together with a statement of agreements reached, heads of agreements re. bacon, pork offals, and cheese, and a general statement on the egg situation; and in March, 1941, copy of a special article prepared by the Board explaining Government action respecting prices of farm products - an article published in Saturday Night specifically in reply to certain charges that had been made in an article published earlier in that periodical.

MISCELLANEOUS

Advertising campaigns were begun before the end of the fiscal year under review, one suggesting increased milk production through better crops and pastures, the second dealing with the marketing of bacon hogs at proper weights and in proper finish.

In view of the rapid expansion of hog production in the Prairie Provinces and of the importance of having as large a proportion as possible of the hogs produced in these areas suitable for processing into Wiltshires for export, the Board arranged for a special exhibit at A and B circuit fairs throughout Western Canada during the summer of 1940. Accompanying the exhibit at each fair was one attendant who was well acquainted with the terms of the Bacon Agreement and with export bacon requirements, while a second attendant was selected for his knowledge of local production matters.

In connection with the disposal of surplus apples and apple products, the Board arranged with British authorities for priority in shipping for the movement to the United Kingdom of the gift apples mentioned earlier in this report, whilst on the Board's recommendation arrangements were made for direct transfer of Government-owned fresh, canned, or processed food-stuffs to such Government Departments as might be in need of such products.

